

MOTION BY SUPERVISOR DON KNABE

May 10, 2011

On April 30, 2002, under the authority of Section 25365 of the Government Code, this Board approved an Option Agreement (Agreement) with the City of Norwalk Redevelopment Agency (Agency) to construct a judges parking structure (parking structure) on both County and City of Norwalk (City) Property to serve the Norwalk Courthouse. The parking structure would provide Superior Court judges with the safety of an enclosed parking space in addition to a secured walkway to and from the Norwalk Courthouse.

Upon completion of the Parking Structure project, the County would have the option to purchase the improved property, in part through the transfer to the Agency of certain nearby County-owned property, identified as a portion of APN: 8047-006-921 (County Parcel), and through a cash payment for the remaining balance of the purchase price.

Since the original approval of the Option Agreement by this Board in 2002, both the County and the City have agreed to several amendments to the Agreement in the interest of completing the project, and ultimately entered into a new Option Agreement, approved by this Board on May 19, 2009.

The new option term was defined as a period of 45 days following substantial completion of the parking structure by the City or 545 days from the date the Option Agreement was approved by this Board, whichever was shorter.

(M O R E)

MOTION

MOLINA _____

RIDLEY-THOMAS _____

YAROSLAVSKY _____

KNABE _____

ANTONOVICH _____

At this time, the parking structure is near completion, however according to the City, the completion date will not occur by the previously approved option termination date of May 15, 2011. In order to grant the Agency sufficient time to complete the project and the County sufficient time to exercise its option to acquire the parking structure, it is requested that this Board delegate authority to the CEO to enter into an amendment to the Option Agreement to extend the option term to November 15, 2011, and to exercise the County's option and take all actions necessary to acquire the parking structure upon substantial completion of the project in compliance with the terms of the Agreement. Additionally, it is requested that this Board authorize the CEO to complete this transaction with the City of Norwalk in the event that changes in State law necessitate the City becoming the Agency's successor-in-interest to the parking structure and the Agency's rights and obligations under the Agreement.

Upon exercising the County's option to purchase the parking structure property, the purchase would be funded by the transfer to the Agency of the County Parcel currently used as a parking lot and \$657,130 to be paid from the total Project and Facility Development Budget (PFDB) of \$677,000. The fiscal impact would be dependent on the actual amount expended by the Agency to complete the Improvements. In the event of an increase in construction costs, the purchase price for the property will be increased to reflect the additional costs. As stated in the Option Agreement, any increase in construction costs will be allocated to the County at 60 percent and to the City at 40 percent, and any decrease in construction costs will decrease the County's purchase price for the Parking Structure property by 100 percent of the decrease in costs. In the event construction costs increase more than the amount currently allocated in the PFDB, the PFDB will be supplemented from Fourth District Capital Project Funds. Construction costs in excess of five percent (5%) of the budget require further approval by the parties.

This Board has previously authorized the transfer of title to the Parking Structure to the State of California, along with the Norwalk Courthouse, upon completion of the County's acquisition of the Parking Structure, pursuant to the Transfer Agreement for the Norwalk Courthouse approved by this Board on November 18, 2008.

I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that the County Parcel is no longer necessary for County or other public purposes.
2. Find that the transfer of the surplus County Parcel and acquisition of the Parking Structure are categorically exempt from the provisions of the California Environmental Quality Act pursuant to Classes 11 and 12 of the County's Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.
3. Authorize the CEO enter into an Amendment to extend the option term of the Agreement for the County to exercise its option to acquire the Parking Structure for a period of six months to November 15, 2011.
4. Authorize the CEO to exercise the option and complete this transaction to be funded by the Project and Facility Development Budget and Fourth District Capital Project Funds as outlined above on terms previously approved by this Board, final construction costs not to exceed five percent of the approved budget.
5. Authorize CEO to complete this transaction with the City of Norwalk in the event the City becomes the Agency's successor-in-interest to the Parking Structure and the Agreement.
6. Authorize the CEO to execute any other documents necessary to complete the exchange upon approval as to form by County Counsel.

AA:azr

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AMENDMENT NO. 1 TO OPTION AGREEMENT TO EXCHANGE REAL PROPERTY
WITH THE CITY OF NORWALK REDEVELOPMENT AGENCY

12700-12720 NORWALK BOULEVARD,
NORWALK

COUNTY CONTRACT NO. 76984

This Amendment No. 1 to County Contract Number 76984 ("Amendment No. 1") is made and entered into this _____ day of _____, 2011, by and between the County of Los Angeles, a body corporate and politic, (the "County") and the City of Norwalk Redevelopment Agency, (the "Agency").

RECITALS:

WHEREAS, the County and the Agency entered into an Option Agreement dated May 19, 2009 for the purchase and exchange of County-owned real property located at 12700-12720 Norwalk Boulevard, Norwalk, (the "Property") for the construction of a secured judges' parking structure ("Parking Structure"), and;

WHEREAS, the County has conveyed a portion of County property to the Agency as consideration for the granting of the Option and the construction of the Parking Structure and desires to extend the Option Term as stated in Paragraph 1.2 of the Option Agreement to November 15, 2011, and;

WHEREAS, the Agency is desirous of completing the construction of the Parking Structure, and the County is supportive of the Agency's efforts;

NOW THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, County and Agency hereby agree as follows:

A. Section 1.2 of the Option Agreement is hereby amended to state that the Option shall be exercisable for an additional period commencing on May 15, 2011 and terminating on November 15, 2011.

B. General Provisions

Capitalized Terms. All undefined terms when used herein shall have the same respective meanings as are given such terms in the Agreement unless expressly provided otherwise in this Amendment No. 1.

Execution. This Amendment No. 1 may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

All other terms and conditions of the Agreement shall remain the same and in full force and effect.

SIGNATURE PAGE FOLLOWS

IN WITNESS HEREOF, the Los Angeles County Board of Supervisors has delegated authority to its Chief Executive Officer, and the City of Norwalk Redevelopment Agency has authorized its Executive Director to execute this Amendment No. 1 as of the ____ day of _____, 2011.

CITY OF NORWALK REDEVELOPMENT AGENCY

ATTEST:

By: _____
Secretary

By: _____
Executive Director

APPROVED AS TO FORM:

By: _____
City Attorney

ATTEST:

COUNTY OF LOS ANGELES

DEAN C. LOGAN
Registrar-Recorder/ County Clerk

By _____

By _____
WILLIAM T FUJIOKA
Chief Executive Officer

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By _____
Deputy